

TRI-CITY FIRE DEPARTMENT

Report on Audit of Accounts

June 30, 2008

TRI-CITY FIRE DEPARTMENT

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50
YEARS
1954-2004

MEMBERS
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
MICHIGAN ASSOCIATION OF
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Members of the Board
Tri-City Fire Department

We have audited the accompanying financial statements of the governmental activities and each major fund of Tri-City Fire Department, as of and for the year ended June 30, 2008, which collectively comprise the Fire Department's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Tri-City Fire Department management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the Tri-City Fire Department, as of June 30, 2008 and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and budgetary comparison information as identified in the table of contents, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Very truly yours,

Janz & Knight, P.L.C.

Certified Public Accountants

Bloomfield Hills, Michigan

September 22, 2008

TRI-CITY FIRE DEPARTMENT

June 30, 2008

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Tri-City Fire Department's (the Fire Department) management's discussion and analysis is designed to assist the reader in focusing on significant financial issues, provide an overview of the Fire Department's financial activity, identify changes in the Fire Department's financial position (its ability to address the next and subsequent years' challenges), identify significant variances from the approved budget, and identify individual fund issues or concerns.

Using this Annual Report

The Fire Department's annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the Fire Department as a whole and present a longer-term view of the Fire Department's finances. Fund financial statements tell how these services were financed in the short-term, as well as what remains for future spending. Fund financial statements also report the Fire Department's operations in more detail than government-wide financial statements.

Government-Wide Financial Statements

The government-wide financial statements consist of the Statement of Net Assets and Statement of Activities. They are designed to be corporate-like in that all governmental funds are consolidated into columns which add to a total for the primary government. These statements include all assets and liabilities using the accrual basis of accounting. All of the current year's revenues and expenses are also taken into account regardless of timing of cash being paid or received.

The Fire Department as a Whole

Net Assets - The Fire Department's combined net assets were \$1,518,280 and \$1,563,769 at the close of the years ended June 30, 2008 and 2007, respectively. This represents a decrease of \$45,490 or a 3% decrease from a year ago. The majority of this decrease is related to depreciation.

The following table reflects the condensed Statement of Net Assets for the years ended June 30, 2008 and 2007:

Table 1
Statement of Net Assets

	<u>Governmental Activities</u>	
	<u>June 30, 2008</u>	<u>June 30, 2007</u>
ASSETS		
Current and other assets	\$ 280,857.68	\$ 278,483.10
Capital assets	<u>1,237,421.86</u>	<u>1,285,286.39</u>
Total assets	<u>\$1,518,279.54</u>	<u>\$1,563,769.49</u>
LIABILITIES AND NET ASSETS		
Current and other liabilities	\$ _____	\$ _____
Total liabilities	\$ _____	\$ _____
Net assets:		
Invested in capital assets, net of related debt	1,237,421.86	1,285,286.39
Unrestricted	<u>280,857.68</u>	<u>278,483.10</u>
Total net assets	<u>\$1,518,279.54</u>	<u>\$1,563,769.49</u>
Total liabilities and net assets	<u>\$1,518,279.54</u>	<u>\$1,563,769.49</u>

TRI-CITY FIRE DEPARTMENT

June 30, 2008

Unrestricted net assets are net assets that can be used to finance day to day operations. Designated net assets of the Fire Department totaled \$277,000. These net assets have limitations on their use that were imposed by the Board. The investment in capital assets represents the Fire Department's capital assets that provide services to citizens; accordingly, these assets are not available for future spending.

The following table shows the changes in net assets for the years ended June 30, 2008 and 2007:

Table 2
Changes in Net Assets

	<u>Governmental Activities</u>	
	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Program Revenue:		
Charges for services	\$ 674,607.00	\$ 642,491.73
General Revenue:		
Investment income	12,391.18	11,874.47
Loss on disposal of assets		(25.61)
Total revenue	\$ 686,998.18	\$ 654,340.59
Program Expenses:		
Public safety	<u>732,488.13</u>	<u>703,205.86</u>
Total program expenses	\$ <u>732,488.13</u>	\$ <u>703,205.86</u>
Increase (decrease) in net assets	\$ (45,489.95)	\$ (48,865.27)
Net assets - beginning of year	<u>1,563,769.49</u>	<u>1,612,634.76</u>
Net assets - end of year	\$ <u>1,518,279.54</u>	\$ <u>1,563,769.49</u>

As shown in the above table total revenues for the years ended June 30, 2008 and 2007 were \$686,998 and \$654,341, respectively, of which the majority of revenues were obtained from participating cities. Total expenses for the years ended June 30, 2008 and 2007 were \$732,488 and \$703,206, respectively, of which 92.1% and 93.2%, respectively, of the Fire Department's expenses related to the contract with West Bloomfield for operations.

The Fire Department Funds

The analysis of the Fire Department's major funds begins on page 8, following the government-wide financial statements. The fund financial statements provide detail information about the most significant funds, not the Fire Department as a whole. The Fire Department Board creates funds to help manage money for specific purposes as well as to show accountability for certain activities, such as special property tax millages. The Fire Department's major fund for 2008 is the General Fund.

The General Fund is the main operating fund of the Fire Department. Total revenues for the years ended June 30, 2008 and 2007 were \$686,998 and \$654,366, respectively. Of this revenue, contributions from Cities accounted for the majority of the total revenue. Total expenditures for the years were \$684,634 and \$646,432, respectively. This included \$674,607 paid to West Bloomfield Township for fire protection. At June 30, 2008 the unreserved fund balance of \$280,858 represented 41% of the total General Fund expenditures for the year.

General Fund Budgetary Highlights

Over the course of the year, the Fire Department Board did amend the budget.

The Fire Department overall revenues exceeded budget, resulting in total revenues of \$2,392 above budget. The General Fund's fund balance did increase \$2,375. The increase is primarily due to investment income being more than budgeted.

The Fire Department overall expenditures were in line with budgeted amounts.

TRI-CITY FIRE DEPARTMENT

June 30, 2008

Capital Asset and Debt Administration

Capital Assets

At the end of fiscal year 2008, the Fire Department had \$1,237,422 invested in a broad range of capital assets (net of accumulated depreciation), including buildings and fire equipment. The Fire Department leases its assets to West Bloomfield Township for \$1.00, annually.

Long-Term Debt

The Fire Department's total indebtedness as of June 30, 2008 is none.

Economic Factors and Next Year's Budgets and Rates

The Fire Department's fiscal 2009 budget was prepared using various economic factors as follows:

Revenues

The Fire Department will assess participating City's an amount equal to West Bloomfield's contracted services. This amount is consistent with the 5% increase in the West Bloomfield contract.

Expenditures

The contracted services from West Bloomfield will increase 5% per contract.

The fiscal 2009 General Fund budget expects a surplus of approximately \$1,900. The projected General Fund's fund balance at June 30, 2009 is approximately \$282,758 which represents approximately 41% of the General Fund expenditures for the year.

Request for Information

This financial report is intended to provide citizens, taxpayers, customers, and investors with a general overview of the Fire Department's finances and to show the Fire Department's accountability for the money it receives. If you have any questions or concerns about this report or need additional information, contact the Fire Department, at the Tri-City Fire Department, 3300 Orchard Lake Road, Orchard Lake, Michigan 48342.

TRI-CITY FIRE DEPARTMENT

STATEMENT OF NET ASSETS

June 30, 2008

	Governmental Fund Types General Fund
ASSETS	
Cash and investments	\$ 280,857.68
Capital assets, net.	1,237,421.86
Total assets	\$1,518,279.54
LIABILITIES AND NET ASSETS	
Accounts payable	\$ -
Total liabilities.	\$ -
Net assets:	
Invested in capital assets	1,237,421.86
Unrestricted	280,857.68
Total net assets	\$1,518,279.54
Total liabilities and net assets	\$1,518,279.54

The attached notes are an integral part of the financial statements.

TRI-CITY FIRE DEPARTMENT

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2008

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for	Operating	Capital	Revenue and
		Services	Grants and	Grants and	Changes in
			Contributions	Contributions	Net Assets
					Governmental
					Activities
Primary government					
Governmental activities:					
Public safety	\$ 732,488.13	\$674,607.00	\$ -	\$ -	\$ (57,881.13)
Total governmental activities	\$ 732,488.13	\$674,607.00	\$ -	\$ -	\$ (57,881.13)
Total primary government	\$ 732,488.13	\$674,607.00	\$ -	\$ -	\$ (57,881.13)
General revenues:					
Interest income					12,391.18
Total general revenues and special items					\$ 12,391.18
Changes in net assets					\$ (45,489.95)
Net assets - July 1, 2007					1,563,769.49
Net assets - June 30, 2008					\$1,518,279.54

The attached notes are an integral part of the financial statements.

TRI-CITY FIRE DEPARTMENT

GOVERNMENTAL FUND
BALANCE SHEET

June 30, 2008

	General Fund
ASSETS	
Cash and investments	\$ 280,857.68
Total assets	<u>\$ 280,857.68</u>
LIABILITIES AND FUND EQUITY	
Accounts payable	\$ -
Total liabilities	\$ -
Fund balances:	
Unreserved:	
Undesignated	3,857.68
Designated for fire trucks	<u>277,000.00</u>
Total fund balances	<u>\$ 280,857.68</u>
Total liabilities and fund balances	<u>\$ 280,857.68</u>
 Total governmental fund balances	 \$ 280,857.68
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources, and are not reported in the governmental funds:	
Governmental capital assets	1,924,050.93
Less accumulated depreciation	<u>(686,629.07)</u>
	<u>\$1,237,421.86</u>
Net assets of governmental activities	<u>\$1,518,279.54</u>

The attached notes are an integral part of the financial statements.

TRI-CITY FIRE DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUND TYPES

For the Year Ended June 30, 2008

	<u>General</u>
Revenues:	
Charges for services:	
Assessments for fire protection.	\$ 674,607.00
Interest income.	<u>12,391.18</u>
Total revenues	\$ 686,998.18
Expenditures:	
Public safety.	679,623.60
Capital outlay	<u>5,000.00</u>
Total expenditures	\$ 684,623.60
Excess of revenues over (under) expenditures	\$ 2,374.58
Fund balance, beginning of year.	<u>278,483.10</u>
Fund balance, end of year.	<u><u>\$ 280,857.68</u></u>

The attached notes are an integral part of the financial statements.

TRI-CITY FIRE DEPARTMENT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2008

Net change in fund balances - total governmental fund	\$ 2,374.58
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:	
Expenditures for capital assets	5,000.00
Less current year depreciation	(52,864.53)
	<u>\$ (47,864.53)</u>
Governmental funds report proceeds from sale; in the statement of activities, only the respective gain or loss is recognized . . .	<u>-</u>
Change in net assets of governmental activities	<u><u>\$ (45,489.95)</u></u>

The attached notes are an integral part of the financial statements.

TRI-CITY FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS

June 30, 2008

NOTE A - Summary of Significant Accounting Policies

The accounting policies of the Tri-City Fire Department conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by the Tri-City Fire Department.

Reporting Entity

Based on the Tri-City Fire Protection Agreement adopted November 1, 1968 the Tri-City Fire Department provides fire protection for the Michigan communities of Keego Harbor, Orchard Lake Village and Sylvan Lake. The three cities contribute equally towards funding the fire department's annual expenditures. The governing body of the Tri-City Fire Department is made up of two members from each city. The fire protection agreement is an annual agreement and can be renewed by the governing bodies of each of the cities. Any city may withdraw from this agreement as of the last day of the term or at any time upon not less than six months notice. Each city is obligated to pay to the Tri-City Fire Department an amount equal to one-third of the total approved annual budget of the Tri-City Fire Department.

As of July 1, 2003 Tri-City Fire Department contracted with West Bloomfield Township to provide full-time fire protection and Advanced Life Support. The participating cities agree to pay the Township through the Fire Board, who will in turn pay the Township on behalf of the cities.

The initial term of this agreement shall be for 8 (eight) years. Provided that the three cities and Fire Board are not in default, the term shall be automatically extended for up to 4 (four) additional and separate 5 (five) year terms.

Quarterly payments are payable on the first day of July, October, January and April. Subsequent year's payment will increase 5% annually. For the year ended June 30, 2008 the Fire Department paid West Bloomfield Township \$674,607.

The Fire Board is leasing the real property and its equipment and supplies to the Township for \$1.00, annually.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Interest and other items not properly included among program revenues are reported instead as general revenue.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

TRI-CITY FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 2008

NOTE A - Summary of Significant Accounting Policies (continued)

Revenues are recognized in the accounting period in which they become susceptible to accrual--that is, when they become both measurable and available to finance expenditures of the period. All other revenue items are considered to be available only when cash is received by the government.

Amounts reported as program revenue include: (1) charges to customers or applicants for goods, services or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions. Internally dedicated resources are reported as general revenue rather than as program revenue.

Governmental Funds:

The Fire Department reports the following major governmental funds:

General Fund

The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Assets, Liabilities, and Net Assets or Equity

Investments

Deposits are carried at cost and consist of investments in short-term investments.

Capital Assets

Capital assets, which include land, buildings, vehicles, furniture and equipment are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$2,500. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Capital assets that are being depreciated are reported net of accumulated depreciation in the statement of net assets. Capital assets that are not being depreciated, such as land, are reported separately.

Capital assets are depreciated over their estimated useful lives. Depreciation expense is reported in the statement of activities by allocating the net cost over the estimated useful life of the assets. Assets are depreciated on an individual basis for equipment and buildings.

Property, plant and equipment are depreciated using the straight-line method over the following useful lives:

	<u>Years</u>
Buildings	50
Vehicles	7-20
Furniture and Equipment	5-20

Fund Equity

In the fund financial statements, governmental funds report designations of fund balance, these are tentative management plans that are subject to change.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

TRI-CITY FIRE DEPARTMENT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 2008

NOTE B - Expenditures Over Budget

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund. All annual appropriations lapse at year end. The Fire Department's appropriation resolution is generally passed during the preceding year in which the planned expenditures relate. Subsequent amendments are made to avoid unfavorable variances from the original budget. Related resolutions are made to state the purpose and amount of the changes. The Board Chairman has the responsibility to enforce the budget. Unused appropriations do not carry forward to the next year.

The budget document presents information by fund, function, department and line items. The legal level (the level at which expenditures may not legally exceed appropriations) of budgetary control adopted by the board is at the department (activity) level.

The Fire Department Board must approve budget amendments at the activity level and supplemental appropriations, which affect total fund expenditures. The Board Chairman can transfer appropriations between line items within a department or activity without governing body approval.

Amounts encumbered for purchase orders, contracts, etc., are not tracked during the year. Budget appropriations are considered to be spent once the goods are delivered or the services rendered.

P.A. 2 of 1968 as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated in budget resolutions of the governing body.

Excess of Expenditures Over Appropriations in Budgeted Funds

During the year, the Tri-City Fire Department did not incur expenditures in certain budgeted funds which were significantly in excess of the amounts appropriated.

NOTE C - Deposits and Investments

Michigan Compiled Laws, Section 129.91, authorizes the Fire Department to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations which have an office in Michigan. The Fire Department is allowed to invest in bonds, securities and other direct obligations of the United States or any agency or instrumentality of the United States; United States government or federal agency obligations; repurchase agreements; bankers' acceptance of United States banks; commercial paper rated within the two highest classifications which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated as investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan.

The Fire Board has designated various banks for the deposit of Fire Department funds. The investment policy adopted by the board in accordance with Public Act 196 of 1997 has authorized investment in all of the State statutory authorities as listed above, except repurchase agreement, bankers acceptances, state or local obligations and commercial paper. Tri-City Fire Department's investment policy is in accordance with statutory authority and the investment policy of the Fire Department.

The Department's cash and investments are subject to several types of risk, which are examined in more detail below:

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Department's deposits may not be returned to it. The Department does not have a deposit policy for custodial credit risk. At year end, the Department had no bank deposits (certificates of deposit, checking, and savings accounts) that were uninsured and uncollateralized. The Department evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

TRI-CITY FIRE DEPARTMENT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 2008

NOTE C - Deposits and Investments (continued)

Custodial Credit Risk of Investments

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Department will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Department does not have a policy for custodial credit risk. At year end, the following investment securities were uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the Department's name.

<u>Type of Investment</u>	<u>Fair Value</u>	<u>How Held</u>
U.S. government and agency securities	\$ 273,147	Counterparty

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The Department's investment policy does restrict investment maturities, other than commercial paper which can only be purchased with a 270-day maturity, to a maximum of five years. At year end, the average maturities of investments are as follows:

<u>Investment</u>	<u>Fair Value</u>	<u>Weighted Average Maturity</u>
U.S. government and agency securities:		
U.S. Treasury Note/Strip	\$ 124,694	1.7 years
Federal National Mortgage Association	148,453	1 year

Credit Risk

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Township has no investment policy that would further limit its investment choices. As of year end, the credit quality ratings of debt securities (other than the U.S. government) are as follows:

<u>Investment</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Rating Organization</u>
U.S. Government Agency Securities	\$ 148,453	AAA	S & P

Concentration of Credit Risk

The Department places no limit on the amount the Department may invest in any one issuer. The Department has more than 5% of its investments in the following:

U.S. Treasury Note/Strip	45.7%
U.S. government agency:	
Federal National Mortgage Association	54.3%

TRI-CITY FIRE DEPARTMENT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 2008

NOTE D - Capital Assets

Capital asset activity of the primary government for the current year was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 225,000.00	\$	\$	\$ 225,000.00
Capital Assets Being Depreciated:				
Buildings	\$1,145,943.87	\$	\$	\$1,145,943.87
Vehicles	459,105.88			459,105.88
Furniture and Equipment	89,001.18	5,000.00		94,001.18
Subtotal	\$1,694,050.93	\$ 5,000.00	\$	\$1,699,050.93
Less Accumulated Depreciation for:				
Buildings	\$ 262,802.56	\$ 22,918.88	\$	\$ 285,721.44
Vehicles	303,604.53	25,602.86		329,207.39
Furniture and Equipment	67,357.45	4,342.79		71,700.24
Subtotal	\$ 633,764.54	\$ 52,864.53	\$	\$ 686,629.07
Net Capital Assets Being Depreciated	\$1,060,286.39	\$(47,864.53)	\$	\$1,012,421.86
Governmental Activities - Total Capital Assets - Net of Depreciation	\$1,285,286.39	\$(47,864.53)	\$	\$1,237,421.86

Depreciation expense was charged to programs of the primary government as follows:

Governmental Activities:	
Public Safety	\$52,864.53

NOTE E - Designated Fund Balance:

The Board has established internally designated funds to be used as follows:

	Fire Trucks
Balance - June 30, 2008	\$277,000.00

NOTE F - Risk Management:

The fire department is exposed to various risks of loss related to general liability, errors and omissions, property and crime, vehicle liability, vehicle physical damage, fire legal liability, employee injuries, and fire fighters' accidental death. The West Bloomfield Fire Department insures the Fire Department for all the above liabilities.

REQUIRED SUPPLEMENTAL INFORMATION

TRI-CITY FIRE DEPARTMENT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

For the Year Ended June 30, 2008

	Original Budget	Amended Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:				
Charges for services:				
Assessments for fire protection	\$ 674,606.00	\$ 674,606.00	\$ 674,607.00	\$ 1.00
Interest income	10,000.00	10,000.00	12,391.18	2,391.18
Total revenues	\$ 684,606.00	\$ 684,606.00	\$ 686,998.18	\$ 2,392.18
Expenditures:				
Public safety:				
Contracted services - fire protection	674,606.00	674,606.00	674,607.00	(1.00)
General Administration:				
General administration and office expense	2,400.00	1,446.00	1,816.60	(370.60)
Bank service fee	300.00	300.00	300.00	
	\$ 2,700.00	\$ 1,746.00	\$ 2,116.60	\$ (370.60)
Professional fees	2,954.00	2,954.00	2,900.00	54.00
Maintenance - building	1,000.00	300.00		300.00
Variable expenses:				
Contingency fees	3,346.00			-
Total public safety	\$ 684,606.00	\$ 679,606.00	\$ 679,623.60	\$ (17.60)
Capital outlay		5,000.00	5,000.00	
Total expenditures	\$ 684,606.00	\$ 684,606.00	\$ 684,623.60	\$ (17.60)
Excess of revenues over (under) expenditures . . . \$	-	-	\$ 2,374.58	\$ 2,374.58
Fund balance, beginning of year	278,483.10	278,483.10	278,483.10	
Fund balance, end of year	\$ 278,483.10	\$ 278,483.10	\$ 280,857.68	\$ 2,374.58